

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of

Federal-State Joint Board on
Universal Service

CC Docket No. 96-45

**COMMENTS OF BELL ATLANTIC¹ ON
REQUESTS TO REDEFINE “VOICE GRADE ACCESS”
FOR PURPOSES OF FEDERAL UNIVERSAL SERVICE SUPPORT**

The Commission should not enlarge the bandwidth that a local exchange carrier must provide on voice grade access lines in order to obtain universal service support. This could prevent many small, rural carriers from qualifying as “eligible telecommunications carriers,” and it could undermine the provision of basic telephone service to high cost areas. Moreover, increasing the bandwidth requirement is irrelevant to the issue of whether a carrier is providing voice grade service. Since the avowed purpose of increasing bandwidth requirements is to promote faster modem speeds for transmitting data, the Commission should examine this issue only in the broader context of the provision of advanced services.

¹ The Bell Atlantic telephone companies (“Bell Atlantic”) are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, DC, Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company and New England Telephone and Telegraph Company.

The Commission's current rules require an eligible telecommunications carrier to provide service within a minimum frequency range of 300 Hz to 3,000 Hz. The petitioners here argue that increasing the minimum frequency range (to a low of 200 or 300 Hz and a high of 3,400 or 3,500 Hz) would make it more likely that rural customers with modems could access the Internet at 28.8 kilobits per second.

As even the petitioners concede, however, this proposal has absolutely nothing to do with the provision of voice grade service. *See, e.g.*, North Dakota PSC, 2. The existing minimum frequency range is based on an industry standard that is more than sufficient to ensure the provision of quality voice grade service. *See Federal-State Joint Board on Universal Service*, Fourth Order on Reconsideration, 13 FCC Rcd 5318, ¶ 16 (1997). In the universal service orders, the Commission defined universal service as the provision of voice grade access, and it specifically denied requests to adopt a standard that would provide higher bandwidth services and faster data transmission capabilities. *See Federal-State Joint Board on Universal Service*, 12 FCC Rcd 8776, ¶ 64 (1997). Clearly, a larger bandwidth requirement is irrelevant to the issue of whether a carrier is providing voice grade service.

Rather, the goal of the petitioners is to increase the data transmission speed over ordinary telephone lines to improve access to the Internet. This would be counter-productive, as many rural carriers, and some non-rural carriers, would not be able to meet the greater frequency requirements and would lose their status as eligible telecommunications carriers under Section 214(e)(1) of the Act. In rural areas, which typically have longer loop lengths, carriers have employed loading coils and other

equipment that improve the delivery of voice grade service, but that may reduce the speed at which data can be transmitted. An increase in the bandwidth standard would require removal of such equipment and upgrades to outside plant, such as the use of digital loop carrier. Unless and until carriers modified their outside plant to meet the new standards, they would be disqualified from receiving support from the high cost fund, which could adversely affect their ability to serve their customers.

As is shown in the comments of the United States Telecom Association, it would be extremely costly to upgrade the network nationwide to meet the greater frequency range. The Commission recognized this in the universal service orders, finding that a definition of universal service beyond basic voice grade access “could adversely affect all consumers by increasing the expense of the universal service program and, thus, increasing the basic cost of telecommunications services for all.” Federal-State Joint Board on Universal Service, 12 FCC Rcd 8776, ¶ 64 (1997). Moreover, the costs of such upgrades would fall primarily on the smaller local exchange carriers, as they tend to have longer loop lengths and narrower frequency ranges.

Such expenditures would not pass a cost-benefit test. As the petitioners concede, the larger bandwidth would not guarantee that customers would be able to transmit data at 28.8 kbps. *See, e.g.*, Ex Parte Presentation of the Rural Utilities Service (filed Jan. 30, 1998) at p. 4. In addition, there is no evidence that the current data transmission speeds in rural areas are hindering access to the Internet. The local exchange carriers should not be required to make a substantial investment to achieve only a modest increase in analog

modem speeds, when investment dollars can be put to better use developing a high speed, digital broadband network.

Clearly, this proposal is irrelevant for the purposes of the current high cost fund. The Commission has already stated that it would convene a Joint Board no later than January 1, 2001 to consider whether to expand the definition of universal service beyond voice grade access. *See* Federal-State Joint Board on Universal Service, 12 FCC Rcd 8776, ¶ 104 (1997). In that proceeding, the Commission may consider whether universal service should be expanded to include data services over ordinary telephone lines. The Commission also should consider bandwidth issues in the broader context of its inquiries into the provision of advanced services. *See, e.g.,* Inquiry Concerning the Deployment of Advanced Telecommunications Capability, etc., 14 FCC Rcd 2398 (1999); Deployment of Wireline Services Offering Advanced Telecommunications Capability, 14 FCC Rcd 4761 (1999). An increase in the minimum analog data transmission speed over ordinary voice grade access lines is only one of the issues (and far from the most important) to be considered in determining how to promote the ability of customers to obtain access to advanced services.

Conclusion

The Commission should reject the proposals to increase the bandwidth on voice grade lines as a requirement for obtaining support from the high cost fund.

Respectfully submitted,

By: _____/S/

Of Counsel
Michael E. Glover

Joseph DiBella
1320 North Court House Road
Eighth Floor
Arlington, VA 22201
(703) 974-6350

Attorney for the Bell Atlantic
telephone companies

Dated: January 19, 2000